

15 July 1970

MEMORANDUM FOR: Chairman, Economic Intelligence
Committee

SUBJECT : Annual Report for 1970

1. During the past year the EIC Subcommittee for Shipbuilding continued its operations along the pattern established several years ago. The monthly meetings of the subcommittee continue to be the principal forum in the intelligence community on the Soviet and other communist navies. Support of the meetings continues at a high level with active and enthusiastic participation by all member agencies.

2. Members of the subcommittee participated [REDACTED] during June of this year. The conferences were notable because of the effort to achieve greater integration and to expand the economic aspects of shipbuilding and shipping. These efforts suggest that there are promising prospects for further research and insights.

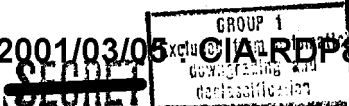
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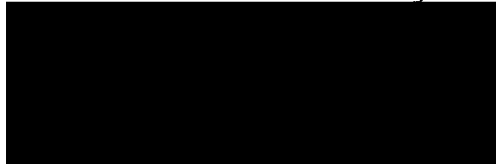
3. The venture into a joint research project on a specific intelligence problem was successfully completed during the year. The problem, shipbuilding in the Leningrad area, was carried out by an Ad Hoc subcommittee supported by all member agencies. The results have been published and received broad dissemination.

4. The primary concern of the subcommittee will continue to be the USSR with its continuing and rapid expansion in the maritime field. Although

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plans for the future will continue to focus on this expansion, a specific area of concern will be the economic and military impact of the ship repair/modernization/conversion problem in the USSR over the next few years.



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Chairman,
EIC Subcommittee for Shipbuilding

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Control No. 6216
EIC-M-128
16 December 1970

ECONOMIC INTELLIGENCE COMMITTEE

Minutes of Meeting Held in
Room 4 F 21, CIA Headquarters Building
1000 Hours, 16 December 1970

PRESENT:

Dr. Edward L. Allen, Central Intelligence Agency, Chairman
Dr. Henry W. Forbes, Defense Intelligence Agency
John D. Pafenberg, Department of the Air Force
Mrs. Hertha W. Heiss, Department of Commerce
Michael B. Fitzgerald, Department of the Treasury
[REDACTED] Central Intelligence Agency, Executive Secretary
[REDACTED], Central Intelligence Agency
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ANNOUNCEMENTS:

The Chairman introduced [REDACTED]
[REDACTED] the personnel within CIA responsible for the annual report
on Communist Chinese trade and transportation to be reviewed at
today's meeting.

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International Conferences

The Chairman announced that the two-week naval intelligence
and shipbuilding conferences will be held in May 1971 in Washington,
D.C. Members of the Shipbuilding Subcommittee are already pre-
paring for the meeting and a letter from the Chairman and the Director,
Office of Strategic Research, CIA, concerning the agendas of both
meetings has been sent to General Bennett, Director, DIA.

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Changes in EIC Subcommittees:

The following subcommittee changes were announced by the Chairman:

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a. [REDACTED] replaced [REDACTED] as Chairman of the Subcommittee on International Trade and Aid.

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b. [REDACTED] replaced [REDACTED] as Executive Secretary of the Subcommittee on Shipbuilding.

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Status of EIC Reports:

EIC R14-S25, Aid and Trade Activities of Communist Countries in Less Developed Areas of the Free World, 1970

An EIC meeting to review this annual report is tentatively scheduled for 9 February 1971 with a hoped for publication date of 25 February 1971.

APPROVAL OF MINUTES:

The minutes of the EIC meeting of 10 February 1970 (EIC-M-127) were approved.

REVIEW AND APPROVAL OF "THE INTERNATIONAL TRADE AND TRANSPORT OF COMMUNIST CHINA, 1969 AND PRELIMINARY 1970"
(EIC R16-S11):

Representatives of the Departments of State, Army and Navy, the National Security Agency, the Agency for International Development, and the Federal Reserve System did not attend the meeting but concurred, telephonically, in the report, in principle, to the EIC Secretariat prior to the meeting.

A review of the body of the report was conducted on a page-by-page basis.

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The Chairman expressed his thanks to all the people involved in producing this very well written report.

[REDACTED]

Executive Secretary

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